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United States  
Department of  
Agriculture

Office of  
Public Affairs

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# **Selected Speeches and News Releases**

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# Statement

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U.S. Department of Agriculture • Office of Public Affairs

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**by Secretary of Agriculture Edward Madigan, on the North American Free Trade Agreement, Aug. 12.**

The North American Free Trade Agreement is win-win for agriculture on both sides of the border. By eliminating tariffs, quotas and other barriers over time, it gives U.S. producers accelerated access to more than 92 million Mexican consumers.

The agreement means an estimated \$2 billion annual boost for U.S. farm exports. It's pro-agriculture, pro-jobs and pro-trade.

U.S. farm sales to fast-growing Mexico have more than doubled since 1986, making our southern neighbor our third largest agricultural trading partner at nearly \$3 billion in fiscal 1991. Generally, \$1 billion in farm exports translates to 27,000 food-related jobs. This new pact will add an estimated 54,000 new jobs to the 81,000 jobs already attributable to agricultural and food industry trade with Mexico.

The North American Free Trade Agreement will generate new income in Mexico, raising that nation's standard of living. That will trigger increased consumption of both domestic and imported foodstuffs.

Many U.S. products face restrictive tariffs and other barriers whenever they are exported to Mexico. Under NAFTA, import licenses will be eliminated immediately and all agricultural tariffs will be phased out. The agreement will eliminate tariffs for about half of U.S. exports immediately, and will wipe out all tariffs at the end of the transition period. The agreement will protect producers of certain import-sensitive farm products and give them time to adjust to the freer trade that will occur between our nations. Not only will U.S. tariffs be phased out over a longer period of time for the most sensitive commodities, but a special safeguard for some import-sensitive products will limit the amount of imports that can be imported at lower duties.

With the NAFTA, we will be a part of the largest market in the world, with more than \$6 trillion in annual output and more than 360 million consumers. By building the largest free trading area in the world, the citizens of the United States, Mexico and Canada are working together to ensure that the future will bring increased prosperity, trade and new jobs.

Throughout the negotiations leading up to the NAFTA agreement, U.S. trade negotiators worked closely with all segments of U.S. agriculture, as well as with consumers and environmental groups, to ensure that everyone's concerns were addressed.

I believe that we have achieved that goal, and I hope that U.S. farmers, laborers and consumers will fully recognize the magnitude of the benefits that we will reap from the North American Free Trade Agreement.

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# News Releases

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U.S. Department of Agriculture • Office of Public Affairs

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## **USDA ANNOUNCES COUNTY LOAN RATES FOR MINOR OILSEEDS**

WASHINGTON, Aug. 6—The U.S. Department of Agriculture's Commodity Credit Corporation today announced county price support loan rates for the 1992 crops of mustard seed, safflower seed, oil sunflower seed, and confectionery sunflower seed.

The loan rates were set in accordance with provisions of the Agricultural Act of 1949 and reflect the national average price support of 8.9 cents per pound for each type of oilseed.

Copies of the rate schedules are available from: Thomsas Fink, Cotton, Grain and Rice Price Support Division, USDA/ASCS, P.O. Box 2415, Washington, D.C. 20013; telephone (202) 720-8701.

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## **USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON**

Washington, Aug. 6—Keith Bjerke, executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), the coarse count adjustment and the user marketing certificate payment rate in effect from 12:01 a.m. Friday, Aug. 7, through midnight Thursday, Aug. 13.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through

Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. The maximum allowable adjustment is the difference between the USNE price and the NE price.

Based on data for the week ending Aug. 6, a further adjustment to this week's calculated AWP may be made in accordance with this provision. The calculated AWP is 91 percent of the 1992 upland cotton base quality loan rate, and the USNE price exceeds the NE price by 4.27 cents per pound. Following are the relevant calculations.

I.	Calculated AWP .....	47.47 cents per pound
	1992 Base Loan Rate .....	52.35 cents per pound
	AWP as a Percent of Loan Rate .....	91
II.	USNE Price .....	65.65 cents per pound
	NE Price .....	- 61.38 cents per pound
	Maximum Adjustment Allowed .....	4.27 cents per pound

Based on a consideration of the U.S. share of world exports, the current level of cotton export sales and cotton export shipments, and other relevant data, no further adjustment will be made to this week's calculated AWP.

Based on data for the week ending Aug. 6, the AWP for base quality upland cotton and the coarse count adjustment in effect from Aug. 7 through Aug. 13 are determined as follows:

NE Price .....	61.38
Adjustments:	
Average U.S. spot market location .....	12.05
SLM 1-1/16 inch cotton .....	155
Average U.S. location .....	0.31
Sum of Adjustments .....	<u>-13.91</u>
Calculated AWP .....	47.47
Further AWP Adjustment .....	<u>- 0</u>
ADJUSTED WORLD PRICE .....	47.47 cents/lb.

Coarse Count Adjustment	
NE Price .....	61.38
NE Coarse Count Price .....	<u>-56.17</u>
	5.21
Adjustment to SLM 1-1/32 inch cotton .....	<u>-3.95</u>
COARSE COUNT ADJUSTMENT .....	1.26 cents/lb.



Because the AWP is below the 1990, 1991 and 1992 base quality loan rates of 50.27, 50.77 and 52.35 cents per pound, respectively, the loan repayment rate during this period is equal to the AWP, adjusted for the specific quality and location plus any applicable interest and storage charges. The AWP will also be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP in effect during this period is below the 1992-crop loan rate, cash loan deficiency payments will be paid to eligible producers who agree to forgo obtaining a price support loan with respect to their 1992 crop. The payment rate is equal to the difference between the loan rate and the AWP. Producers are allowed to obtain a loan deficiency payment on a bale-by-bale basis.

This week marks the beginning of the 3-week marketing year transition period for purposes of determining the user marketing certificate payment rate. During this period, consecutive 4-week, Friday-through-Thursday, periods contain a combination of NE price quotations for one to three weeks and both NE current shipment prices and NE forward shipment prices for one to three weeks. To determine whether a user marketing certificate payment is to be issued, the USNE forward price and the NE forward price in combination with the USNE price and the NE price are taken into consideration. The user marketing certificate payment rate is based on the difference in the fourth week between the USNE price and the NE price, minus 1.25 cents.

Based on data for the week ending Aug. 6, the USNE price exceeded the NE price by more than 1.25 cents per pound and the AWP did not exceed 130 percent of the 1992 crop year base quality loan rate for four consecutive weeks. As a result, the user marketing certificate payment rate is 3.02 cents per pound. This rate is applicable during the Friday through Thursday period for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to September 30, 1993. Relevant data used in determining the user marketing certificate payment rate are summarized below:

Week	For the Friday through Thursday Period	USNE Current Price	NE Current Price	USNE Minus NE	Certificate Payment Rate 1/
1	July 16, 1992	67.75 (f)	62.88 (f)	4.87	3.62
2	July 23, 1992	67.20 (f)	62.43 (f)	4.77	3.52
3	July 30, 1992	66.25 (f)	61.72 (f)	4.53	3.28
4	Aug. 6, 1992	65.65	61.38	4.27	3.02

1/ USNE price minus NE price for Week 4, minus 1.25 cents. (f) based on forward price quotations.

The next announcement of the AWP, coarse count adjustment and user marketing certificate payment rate will be made on Thursday, Aug. 13.

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## **USDA PROPOSES REVISION OF DAIRY PRODUCTS INSPECTION AND GRADING REGULATIONS**

WASHINGTON, Aug. 7—The U.S. Department of Agriculture is proposing a revision of the regulations governing the inspection and grading services for manufactured or processed dairy products. Daniel D. Haley, USDA's Agricultural Marketing Service administrator, said these proposed revisions of the voluntary program would:

- expand the regulations' glossary to incorporate many previously undefined terms or terms new since 1976;
- simplify requirements for filling an application for services;
- expand the section dealing with access by graders to the products, plant facilities and equipment included in the requests for service;
- expand the section dealing with management and integrity control devices such as product control tags;
- add a section to provide for charging users of the service for the collection and testing of conformance and monitoring samples; and,
- expand the section pertaining to "keeping quality" samples, i.e., samples taken to document the storage properties of a product.

"If adopted, these changes could streamline operations of USDA dairy grading and inspection programs," Haley said.



The revision will appear as a proposed rule in the Aug. 10 Federal Register. Copies may be obtained from the Grading Section, Dairy Division, AMS, USDA, Room 2750-S, P.O. Box 96456, Washington, D.C. 20090-6456; telephone (202) 475-5530. Comments, to be received no later than Oct. 9, should be sent to Room 2698-S at the same address.

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## **MADIGAN NAMES MEMBERS TO NEW PECAN MARKETING BOARD**

WASHINGTON, Aug. 6—Secretary of Agriculture Edward Madigan today announced 26 appointments of pecan growers, handlers and shellers to the U.S. Department of Agriculture's new Pecan Marketing Board.

The board will administer a national promotion and research program to increase the demand for pecans domestically and internationally. Assessments on pecan growers, grower-shellers and importers will fund the board's activities.

USDA's Agricultural Marketing Service monitors operations of the board.

Authorized under the Pecan Promotion and Research Act of 1990, the board will initially be comprised of eight growers, four shellers and one first handler member, with an alternate for each member. Importer and public members and their alternates will be appointed later from nominations submitted to the secretary by the board.

Members and alternates announced today are as follows.

Growers (District 1 — Western states): full members Paulina U. Salopek, Las Cruces, N.M., and Layne Brandt, Sahuarita, Ariz.; and alternate members Leslie S. Fletcher, Las Cruces, N.M., and Arthur H. Ivey, Tornillo, Texas. Their terms expire Sept. 30, 1993.

(District 2 — Central states): full members James E. Anthony, Fort Worth, Texas, and Billy S. Landgraf, Madill, Okla.; and alternate members Dorothy F. Anderson, Seguin, Texas, and William C. Ihle, Bristow, Okla. Their terms expire Sept. 30, 1995.

(District 3 — Northeast-East Central states): full members Benjamin M. Littlepage, Colfax, La., and Frederick G. Boni, Daphne, Ala.; and alternate members John W. Barnett, Clarksdale, Miss., and Gerald C. Lawrence, Elmore, Ala. Their terms expire Sept. 30, 1994.

(District 4 — Southeast states): full members Lawrence B. Willson, Albany, Ga., and John T. Marbury, Leesburg, Ga.; and alternate members Joseph C. Watson Jr., Ridge Spring, S.C., and Claude W. Geer III, Albany, Ga. Their terms expire Sept. 30, 1993.

First Handler at Large: full member John W. Renfroe, Pensacola, Fla.; and alternate member Martha A. Newkirk, San Saba, Texas. Their terms expire Sept. 30, 1995.

Shellers (Western states): full members Ranza D. Adams, San Saba, Texas, and Nick F. DiGregorio, Park Ridge, Ill.; and alternate members Richard S. Walden, Sahuarita, Ariz., and Tom G. Parks Jr., Stephenville, Texas. Their terms expire Sept. 30, 1995.

(Eastern states): full members Ronald L. Cannon, Blackshear, Ga., and James W. Swink, Florence, S.C.; and alternate members Frederick J.D. Felder Jr., Orangeburg, S.C., and Marion W. Luckey Jr., Augusta, Ga. Their terms expire Sept. 30, 1994.

Terms of office for initial board members are staggered to provide administrative continuity. In each subsequent year, approximately one-third of the board will be appointed for three-year terms of office.

The appointees were selected from a group of nominees from the four U.S. pecan growing districts, where nomination meetings were held in May.

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## **NEW JERSEY FIRM RECALLS KIELBASY**

WASHINGTON, Aug. 7—Pulaski Meat Products, a Linden, N.J., food processing firm, is voluntarily recalling approximately 11,000 pounds of its “Pulaski Kielbasy” because the product may be contaminated with the bacterium *Listeria monocytogenes*.

The product is known to have been distributed to New Jersey, New York and Connecticut but may have entered into commerce in other states.

All 50-pound boxes and one and one-half pound sausage rings of the product, which contain no “sell-by” date on the package, are being recalled. “EST. 5414” appears inside the USDA inspection seal on the label.

The “Pulaski Kielbasy” are typically carried by deli-oriented retail stores. No other product is affected by the recall.



“Although no illnesses have been reported, we urge consumers who may have purchased the suspect product to return it to the place of purchase,” said Dr. Donald L. White, associate administrator of the U.S. Department of Agriculture’s Food Safety and Inspection Service. The problem was discovered through USDA’s routine monitoring program for *Listeria monocytogenes*.

Consumption of food contaminated with *Listeria monocytogenes* can cause listeriosis, a rare but potentially serious disease. In general, healthy people rarely contract listeriosis; most susceptible are those with weakened immune systems—infants, the elderly and the chronically ill. Listeriosis can cause pregnant women to miscarry.

Symptoms of listeriosis in adults include the sudden onset of flu-like symptoms such as fever, chills, headache, backache, and sometimes abdominal pain and diarrhea.

Consumers with questions about the recall may phone the toll-free USDA Meat and Poultry Hotline at 1-800-535-4555. The hotline can be reached from 10 a.m. to 4 p.m. (Eastern Daylight Time) Monday through Friday. This number also provides access to a telecommunications device for the hearing impaired.

FSIS is dedicated to protecting the public by ensuring that meat and poultry are safe, wholesome and accurately labeled.

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## **USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES**

WASHINGTON, August 11—Acting Under Secretary of Agriculture Randall Green today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 9.65 cents per pound;
- medium grain whole kernels, 8.76 cents per pound;
- short grain whole kernels, 8.74 cents per pound;
- broken kernels, 4.82 cents per pound.

Based upon these prevailing world market prices for milled rice, loan deficiency payment rates and gains from repaying price support loans at the world market price level are:



- for long grain, \$0.68 per hundredweight;
- for medium grain, \$0.62 per hundredweight;
- for short grain, \$0.63 per hundredweight.

The prices announced are effective today at 12:00:01 A.M. EDT until 12:00:00 a.m. EDT Tuesday, Aug. 18. The next scheduled price announcement will be made Aug. 18 at 7 a.m. EDT. The price announced at that time will be effective from 12:00:01 a.m. EDT Tuesday, Aug. 18.

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## **PUBLIC INVITED TO BIOTECHNOLOGY ADVISORY GROUP MEETING, AUG. 26-27**

WASHINGTON, Aug. 11—The U.S. Department of Agriculture's Agricultural Biotechnology Research Advisory Committee (ABRAC) will meet Aug. 26-27 at the Rosslyn Westpark Hotel, Georgetown Room, 1900 N. Fort Myer Drive, Arlington, Va., beginning at 9 a.m. The public is invited to attend.

Topics of discussion will include aquaculture, risk assessment and the societal impacts of agricultural biotechnology.

ABRAC is comprised of 15 experts, from outside USDA, who review matters on agricultural biotechnology research. The committee advises the secretary of agriculture.

The public is also invited to attend an ABRAC working group meeting Aug. 25. The focus will be risk assessment issues related to field trials of genetically engineered plants.

For more information, or to file written comments before or after the meeting, contact Dr. Alvin L. Young, Executive Secretary, ABRAC, Office of Agricultural Biotechnology, RPE-Room 1001, USDA, Washington, D.C. 20250-2200; telephone (703)-235-4419; Fax: (703) 235-4429.

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## **USDA INVESTIGATES TURKEY ILLNESS IN NORTH DAKOTA**

WASHINGTON, Aug. 11—The U.S. Department of Agriculture’s Animal and Plant Health Inspection Service is investigating a turkey illness in a 26,000- bird flock in North Dakota.

APHIS officials are working with state veterinary officials to determine what disease is responsible for the deaths of more than 1,000 birds on a farm in Benson County, N.D.

Specimens from the affected flock have been submitted to the National Veterinary Services Laboratories, Ames, Iowa, for diagnostic testing. Officials also are surveying poultry populations in surrounding areas for indications of illness.

“Preliminary indications are that the flock is infected by a neurological disease that may be caused by a Newcastle disease virus,” said Billy G. Johnson, deputy administrator for APHIS’ veterinary services. “It is essential that poultry producers in the vicinity of the Devils Lake Fort Totten Indian Reservation increase protective measures on their farms.”

Johnson said state officials have placed a quarantine on the farm as a precautionary measure. A link between the turkey illness and recent outbreaks of Newcastle disease in colonial nesting birds in the Great Lakes area has not yet been established.

“Poultry producers who notice any unusual illness, particularly nervous signs in their flocks, should report the situation immediately to a federal or state animal health official,” Johnson said.

Poultry producers should take the following measures to protect their flocks:

- Control the movement of all poultry and poultry products to prevent farm-to-farm contact.

- Permit only essential personnel and vehicles to enter the farm.

- Sanitize all vehicles and tires.

- Clean and disinfect all poultry houses before bringing in new birds.

- Provide clean clothing and disinfection facilities for all employees.

- Keep all birds in houses without openings or holes in order to prevent any possible contact with wild birds.

- Avoid using water for poultry from streams or ponds where wild birds are found.

APHIS is charged with diagnosing and preventing the spread of diseases such as exotic varieties of Newcastle disease. Additional information about biosecurity measures can be obtained from USDA, APHIS, LPA-Public Information, Room 613 Federal Building, 6505 Belcrest Road, Hyattsville, Md. 20782.

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## **USDA SETS NEW DATES FOR MUSHROOM REFERENDUM**

WASHINGTON, Aug. 11—The U.S. Department of Agriculture announced today the referendum on mushroom research and promotion has been rescheduled for Aug. 24 through Sept. 14.

The referendum had originally been scheduled for July 22 through Aug. 12.

“In the referendum, mushroom producers and importers will vote on whether the proposed national mushroom promotion, research and consumer information program for fresh mushrooms will go into effect,” said Daniel D. Haley, administrator of USDA’s Agricultural Marketing Service.

Referendum ballots will be sent to all known mushroom producers and importers. Persons who from July 1, 1990, through June 30, 1992, annually produced or imported an average of more than 500,000 pounds of mushrooms for fresh use may vote in the referendum.

Those who don’t receive ballots, or who need additional information, should contact Richard Schultz, Research and Promotion Branch, Fruit and Vegetable Division, AMS, Rm. 2533-S, P.O. Box 96456, Washington, D.C. 20090-6456: telephone (202) 720-5976.

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## CCC TENTATIVELY ACCEPTS AN ADDITIONAL 1.1 MILLION ACRES INTO CRP

WASHINGTON, Aug. 12—An additional 1,099,976 acres have been tentatively accepted into the Conservation Reserve Program said Keith Bjerke, executive vice-president of the U.S. Department of Agriculture's Commodity Credit Corporation.

The acreage was accepted from bids submitted during the 12th CRP signup conducted June 15-26. This acreage will be entered into the program at the beginning of the 1993 fiscal year.

Bjerke said, "The bids for these new CRP acres were selected from the pool of acceptable bids using criteria which helps provide the greatest amount of environmental benefit per Federal dollar expended."

An "acceptable bid" is one that is made at a rate less than or equal to the local prevailing rental rate for an acre of comparable land.

Beginning with the 10th signup, CCC has tentatively approved most CRP bids based on the relationship of seven natural resource factors to the cost of the bid. The seven factors are: (1) Improvement in surface water quality; (2) improvement in ground water quality; (3) maintenance of soil productivity; (4) conservation compliance needs; (5) tree planting; (6) critical water quality area needs; and, (7) conservation priority area needs.

Generally, those "acceptable bids" with higher environmental benefits per dollar are selected over those with lower environmental benefits per dollar.

On July 22, President Bush signed Public Law 102-324 which amended the Food Security Act of 1985 to eliminate the requirement that useful life easements be obtained in order for certain CRP bids to be accepted.

Because of the change in the law, Bjerke also indicated that those persons who submitted a bid during the 12th enrollment period and agreed to execute a CRP easement will not be required to sign such an easement. Persons whose bids were accepted during the 10th and 11th enrollment periods and who have not yet filed any required easements will not be required to take such action.

Of the 1,099,976 acres tentatively accepted, 99,227 acres are scheduled to be planted to trees and 186,453 acres are within designated conservation priority areas.

The average annual rental payment for the tentatively accepted 12th enrollment period bids is projected to be \$63.09 per acre. The following table provides detailed information, by state, on the 12th CRP signup:

National Summary	Number of Bids	Total Acres Bid	Bids Approved	Acres Approved	Average Annual Rental Payment Per Acre
Total	37,119	2,595,175	19,504	1,099,976	\$63.09
Alabama	583	29,603	480	23,745	47.96
Alaska	2	186	0	0	0
Arizona	0	0	0	0	0
Arkansas	334	21,210	189	10,693	46.19
California	52	18,359	17	1,722	48.94
Colorado	449	91,659	65	11,641	35.36
Delaware	2	61	0	0	0
Florida	195	8,302	140	5,778	38.60
Georgia	693	28,625	440	18,926	44.39
Idaho	432	61,922	233	34,751	48.60
Illinois	3,348	119,194	2,265	80,855	87.16
Indiana	1,568	62,976	1,120	44,725	83.21
Iowa	3,842	197,484	2,316	126,676	98.00
Kansas	2,131	157,871	524	28,823	52.39
Kentucky	486	22,613	397	19,124	66.43
Louisiana	150	9,351	61	2,526	46.23
Maine	8	377	8	377	51.08
Maryland	95	2,972	50	1,366	76.50
Massachussetts	1	4	0	0	0
Michigan	3,313	143,943	2,040	85,836	59.78
Minnesota	1,620	88,735	713	32,662	60.10
Mississippi	874	58,949	481	28,130	46.87
Missouri	2,419	162,682	1,609	107,616	69.72
Montana	1,154	215,753	236	48,153	27.40
Nebraska	1,437	115,373	485	31,531	63.13
Nevada	1	250	0	0	0
New Jersey	2	62	2	62	45.80
New Mexico	14	1,695	3	506	31.39
New York	224	10,101	112	4,492	46.93
North Carolina	360	7,057	283	5,635	44.76
North Dakota	717	71,298	141	11,459	33.12